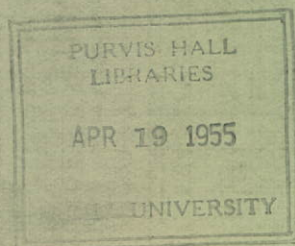


BATHURST POWER AND
PAPER COMPANY
LIMITED

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FIFTH ANNUAL REPORT
1932



BATHURST POWER AND
PAPER COMPANY
LIMITED

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FIFTH ANNUAL REPORT
1932

Report of Directors

To the Shareholders of

Bathurst Power and Paper Company, Limited.

Your Directors submit herewith the Fifth Annual Report of your Company, together with Balance Sheet at the 31st December, 1932, and Profit and Loss Statement for the year which ended on that date.

The operations for the year after deducting all charges and after making provision for depletion of timber limits at the rate of \$1.00 per cord on wood cut, but without any provision for depreciation, resulted in a loss of \$131,613.00.

Reference was made in last year's annual report to the introduction of kraft liner board. The demand for this product has enabled the Company to increase its total volume of business, and aggregate sales were in excess of the preceding year by over 4,000 tons. The manufacture of kraft liner board, although not productive of profit, assisted the Company very materially in reducing its inventory of wood.

Conditions in the newsprint industry were most unsatisfactory, and, while sales were only slightly less than in the preceding year, the price realized was substantially lower.

The satisfactory financial condition of the Company has been maintained. Cash and marketable securities at the end of 1932 amounted to \$867,033 (at quoted values), as compared with \$654,226 at the end of 1931 and the ratio of current assets to current liabilities exceeded 22 to 1. The Company has no funded indebtedness or bank loans.

Continued attention is being given to reduction of expenses and substantial economies have already been effected.

The Company suffered a severe loss in November of last year in the death of Mr. Angus Ethelbert McLean, Vice-President and General Manager, who at all times gave faithful and loyal service.

The auditors, Messrs. Price, Waterhouse & Company, retire at this time, and, being eligible, offer themselves for re-election.

The Directors wish to take this opportunity to express their appreciation of the excellent spirit of co-operation shown by the entire staff.

Respectfully submitted on behalf of the Board of Directors.

J. B. WHITE,

President.

MONTREAL, P.Q., April 4th, 1933.

BATHURST POWER AND AND SUBSIDIA

Consolidated Balance S

ASSETS

CURRENT ASSETS:

Cash.....	\$ 52,119.67
Marketable Securities at cost—	
Dominion of Canada Bonds (Quoted value \$225,550.00).....	227,529.04
Municipal and Other Bonds (Quoted value \$589,363.37).....	622,268.82
Accounts Receivable (less Reserve for Doubtful Accounts).....	178,812.81
Inventories of Raw Materials, Supplies and Finished Products as certified by the Management.....	1,024,053.63
Expenditures on Logging Operations, Season 1932-1933.....	10,936.65
	\$2,115,720.62

PROPERTIES:

Timber Limits, Undeveloped Water Sites, Buildings, Plant and Machinery as re- valued December 31, 1927, with sub- sequent additions.....	22,448,697.46
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INVESTMENTS IN ASSOCIATED AND OTHER COM- ANIES.....

53,504.00

DEFERRED CHARGES:

Prepaid Taxes and Insurance and Expense..	20,015.19
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\$24,637,937.27

Approved on behalf of the Board:

J. B. WHITE }
H. J. WEBB } *Directors.*

BATHURST POWER & PAPER COMPANY LIMITED

AND ITS SUBSIDIARY COMPANIES

Balance Sheet, December 31st, 1932

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$ 74,024.30	
Accrued Accounts	20,113.15	
		\$ 94,137.45

RESERVES:

Depreciation of Buildings and Plant, etc.	\$ 431,038.69	
Depletion of Timber Limits	261,538.51	
Mill Replacements and Insurance Fund	9,613.88	
		702,191.08

COMMON STOCK AND SURPLUS:

Balance at date of Organization	\$24,044,082.45	
Deficit as per statement attached	202,473.71	
		23,841,608.74

Represented by 400,000 shares of Class A Stock and 300,000 shares of Class B without nominal or par value (Class A Shares are redeemable at \$65.00 upon thirty days' notice).

Contingent Liability in respect of legal action pending, the amount of which cannot be determined at this date.

\$24,637,937.27

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of the Bathurst Power & Paper Company Limited and its Subsidiary Companies for the year ending December 31, 1932, and have obtained all the information and explanations which we have required. No provision has been made for depreciation of Buildings, Plant and Machinery during the three years ending December 31, 1932, and, subject thereto, the above Balance Sheet at December 31, 1932, is, in our opinion, properly drawn up so as to show a true and correct view of the financial position of Bathurst Power & Paper Company Limited and its Subsidiary Companies at that date, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

Montreal, February 6, 1933.

PRICE, WATERHOUSE & CO.,

Auditors.

BATHURST POWER AND PAPER COMPANY
LIMITED

AND SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss and Deficit
as at December 31, 1932*

Loss from Operations after deducting all operating, selling and management expenses and after making provision for Depreciation of Timber Limits at the rate of \$1.00 per cord on wood cut.	\$ 158,224.80
DEDUCT: Interest received from Investments.	35,773.98
	\$ 122,450.82
ADD: Loss on Sale of Investments.	3,163.18
Bad Debts written off.	5,999.00
Loss for the year before providing for Depreciation of Buildings, Plant and Machinery. .	\$ 131,613.00

*Consolidated Statement of Deficit Account
December 31, 1932*

DEFICIT AT JANUARY 1, 1932.	\$ 40,860.71
ADD: Loss for the year as above.	131,613.00
Organization Expenses written off.	30,000.00
Deficit, Balance at December 31, 1932.	\$ 202,473.71

BATHURST POWER AND PAPER COMPANY LIMITED

Officers

BRIG.-GEN. J. B. WHITE.....	<i>President</i>
L. R. WILSON.....	<i>Vice-President</i>
H. J. WEBB.....	<i>Treasurer</i>
G. A. SCHRYER.....	<i>Asst. Treasurer</i>
SMITH MORSE.....	<i>Comptroller</i>
S. B. BOND.....	<i>Secretary</i>

Directors

GEO. M. MCKEE	H. J. WEBB
E. ROSSITER	BRIG.-GEN. J. B. WHITE
P. A. THOMSON	L. R. WILSON

J. B. WOODYATT

